

SENATE RECORD VOTE ANALYSIS

105th Congress
1st Session

Vote No. 156

June 27, 1997, 2:58 pm
Page S-6691 Temp. Record

TAXPAYER RELIEF ACT/Child Credit Applied Before EIC

SUBJECT: Taxpayer Relief Act of 1997 . . . S. 949. Landrieu motion to waive the Budget Act for the consideration of the Landrieu amendment No. 532.

ACTION: MOTION REJECTED, 39-59

SYNOPSIS: As reported, S. 949, the Taxpayer Relief Act of 1997, will provide net tax relief of \$76.8 billion over 5 years and \$238 billion over 10 years. The cost will be more than offset by the economic dividend (\$355 billion over 10 years) that will result from balancing the budget in fiscal year (FY) 2002. This bill will enact the largest tax cut since 1981 and the first tax cut since 1986. It will give cradle-to-grave tax relief to Americans: it will give a \$500-per-child tax credit, education tax relief, savings and investment tax relief, retirement tax relief, and estate tax relief. Over the first 5 years, approximately three-fourths of the benefits will go to Americans earning \$75,000 or less. It will eliminate a third of the increased tax burden imposed by the 1993 Clinton tax hike, which was the largest tax hike in history.

The Landrieu amendment would allow taxpayers to take the \$500-per-child tax credit against their income tax liability, if any, before taking any part of the fully "refundable" Earned Income Credit (EIC). (The bill will allow taxpayers who are eligible to take the EIC to take half of it before taking the \$500-per-child tax credit, and to take the other half after taking the EIC; this provision is called the "half-stack" proposal. "Refundability" means that people get refunds beyond any income tax amounts that they have paid. Currently, people who are eligible for the maximum income tax "refund" get more than \$2,500 more than they have paid in total income taxes and payroll taxes put together.) To pay for its 5-year, \$9 billion cost, the Landrieu amendment would phase out the child credit at lower income levels (beginning at \$90,000 for joint tax filers, at \$60,000 for single tax filers, and at \$45,000 for married tax filers who file separate returns), and would deny the credit for teenage children for fiscal year 1997.

The amendment was offered after all debate time had expired. However, by unanimous consent, some debate was permitted. After debate, Senator Nickles raised a point of order that the amendment violated section 302(f) of the Budget Act. Senator Landrieu then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

(See other side)

YEAS (39)			NAYS (59)			NOT VOTING (2)	
Republicans (5 or 9%)	Democrats (34 or 79%)		Republicans (50 or 91%)	Democrats (9 or 21%)		Republicans (0)	Democrats (2)
Collins	Akaka	Kennedy	Abraham	Hutchinson	Baucus		Hollings- ²
D'Amato	Biden	Kerry	Allard	Hutchison	Bryan		Inouye- ²
Domenici	Bingaman	Kohl	Ashcroft	Inhofe	Byrd		
Snowe	Boxer	Landrieu	Bennett	Jeffords	Conrad		
Specter	Breaux	Lautenberg	Bond	Kempthorne	Graham		
	Bumpers	Leahy	Brownback	Kyl	Kerrey		
	Cleland	Levin	Burns	Lott	Moseley-Braun		
	Daschle	Lieberman	Campbell	Lugar	Moynihan		
	Dodd	Mikulski	Chafee	Mack	Rockefeller		
	Dorgan	Murray	Coats	McCain			
	Durbin	Reed	Cochran	McConnell			
	Feingold	Reid	Coverdell	Murkowski			
	Feinstein	Robb	Craig	Nickles			
	Ford	Sarbanes	DeWine	Roberts			
	Glenn	Torricelli	Enzi	Roth			
	Harkin	Wellstone	Faircloth	Santorum			
	Johnson	Wyden	Frist	Sessions			
			Gorton	Shelby			
			Gramm	Smith, Bob			
			Grams	Smith, Gordon			
			Grassley	Stevens			
			Gregg	Thomas			
			Hagel	Thompson			
			Hatch	Thurmond			
			Helms	Warner			
						EXPLANATION OF ABSENCE:	
						1—Official Business	
						2—Necessarily Absent	
						3—Illness	
						4—Other	
						SYMBOLS:	
						AY—Announced Yea	
						AN—Announced Nay	
						PY—Paired Yea	
						PN—Paired Nay	

NOTE: A three-fifths majority (60) vote is required to waive the Budget Act. Following the failure of the motion to waive, the point of order was sustained and the amendment thus fell.

Those favoring the motion to waive contended:

Under the current draft of this bill, about 20 million low-income, working families will only get the benefit of about half of the \$500-per-child tax credit. This situation is unfair. The Landrieu amendment would correct it by making the credit fully refundable. We urge our colleagues to support this amendment.

Those opposing the motion to waive contended:

Argument 1:

The amendment would cut tax relief for people who pay income taxes and would give the money to people who do not. Basically, it would increase Uncle Sam's writing of checks by \$9 billion over 5 years and by \$19 billion over 10 years. The purpose of this bill is to give tax relief to people who pay taxes, not to increase subsidies to people who do not. We urge our colleagues not to support the motion to waive.

Argument 2:

This amendment was not part of the budget agreement, but there is certainly a great deal of support for it in Congress and in the White House. We oppose this amendment now, but we think it is likely the issue will be revisited in conference.